Chair Anne Boyle called the regularly scheduled meeting to order at 10:00 a.m. with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Gerald Vap present. Chair Boyle invited the public to address the Commission and also announced that a copy of the Nebraska Open Meetings Act was posted in the meeting room. No announcements were made.

# GENERAL ADMINISTRATION

Notice was duly published August 19, 2008 on Page 8 of  $\underline{\text{The}}$   $\underline{\text{Daily Record}}$  that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held August 26, 2008 at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

# Tuesday, August 26, 2008:

NUSF- Commission Hearing Room, Lincoln.
37.123 In the Matter of Jeffrey L. Pursley, Director, Nebraska
11:00 Telecommunications Infrastructure and Public Safety Department, Complainant, v. Gold Line Telemanagement, Inc., Respondent(s). Commissioner Tim Schram presiding as Hearing Officer.

NG-0036/ Commission Hearing Room, Lincoln.

NG-0039/ In the Matter of Kinder Morgan, Inc., Lakewood, Colorado, NG-0040 seeking approval of a general rate increase; In the Matter of the joint application of Kinder Morgan, Inc., Houston, Texas; KM Retail Utilities Holdco LLC, Houston, Texas; Source Gas Distribution LLC, Lakewood, Colorado, Source Gas Holdings LLC, Stamford, Connecticut; and Source Gas LLC,

Holdings LLC, Stamford, Connecticut; and Source Gas LLC, Stamford, Connecticut; seeking approval of (1) the proposed transfer of Kinder Morgan, Inc.'s Nebraska Certificate of Convenience and utility assets to Source Gas Distribution LLC; and (2) the proposed change of control of Source Gas Distribution LLC from Kinder Morgan, Inc. to Source Gas LLC; and In the Matter of Kinder Morgan, Inc., Houston, Texas; KM Retail Utilities Holdco LLC, Houston, Texas; Source Gas Distribution LLC, Lakewood, Colorado, seeking approval of asset transfer of jurisdictional utility assets. Commissioner Jerry Vap presiding as Hearing Officer.

#### COMMUNICATIONS DEPARTMENT

In the Matter of the Commission, on its own motion, seeking C-3945/ NUSFto conduct an investigation of Owest Corporation's Proposed 60.02 Switched Access Charge Rates. Commissioner Frank Landis presiding as Hearing Officer: Gene Hand informed the Com-PI-138 mission that a Planning Conference Order, Notice of Hearing and ruling on a Pro Hac Vice Motion were addressed by a Hearing Officer's Order entered on August 22, 2008, scheduling the hearing for October 22, 2008, at 10:00 a.m. in the Commission Hearing Room, Lincoln. Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter a protective order and an order granting informal intervention. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

C-3926 In the Matter of the Commission, on its own motion, regarding Windstream Nebraska, Inc., Lincoln, proposed increase in basic local exchange service rates to business customers: Gene Hand reported on the status of the rate increase to the Commission.

Gene Hand reported on the initial comments filed in the Federal Communication Commission WC Docket 08-152 and provided the Commissioners with a copy of the Washington Utilities and Transportation Commission comments. He also noted reply comments are due September 2, 2008, and that the National Association of Regulatory Utility Commissioners may file an exparte in this matter.

## TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT

911-020.02 In the Matter of Jeffrey L. Pursley, Director, Nebraska Telecommunications Infrastructure and Public Safety Department, Nebraska Public Service Commission, Complainant, v. 1-800-Reconex; Applied Communications Technology, Inc.; Arapahoe Telephone Company d/b/a ATC Communications; Cable USA III, LLC; Charter Fiberlink-Communications VI, LLC; Citistream Communications, Inc.; Community Internet Systems, Inc.; Cozad Telephone Company; Dalton Telephone Company; Elsie Communications, Inc.; Global Connection Inc of America; Granite Telecommunications; LLC; MCImetro Access Transmission Services, LLC; NorthStar Telecom, Inc.; Three River Telco; Three River Communications LLC; Time Warner Cable Information Services (Nebraska) LLC; VCI Company d/b/a Vilaire Communications, Inc., Respondent(s). Commissioner Jerry Vap presiding as Hearing Officer: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an order dismissing the complaint in part, cancelling the hearing previously scheduled for September 23, 2008, and closing the docket. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

# TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

911-030.06 In the Matter of Mike Hybl, Interim Director, Nebraska
Telecommunications Infrastructure and Public Safety Department, Nebraska Public Service Commission, Complainant, v. Convey Wireless, Boulder, Colorado, Respondent(s): Motion made by Commissioner
Frank Landis, seconded by Commissioner Tim Schram, to enter an order dismissing the complaint. Motion passed with Commissioners Anne
Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

911-030.07 In the Matter of Mike Hybl, Interim Director, Nebraska
Telecommunications Infrastructure and Public Safety Department of the Nebraska Public Service Commission, Complainant, v. Coast to Coast Cellular, Inc., Johnstown Pennsylvania, Respondent(s): Motion made by Commissioner Tim Schram, seconded by Commissioner Frank
Landis, to enter an order dismissing the complaint and canceling the hearing previously scheduled for August 26, 2008. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

NUSF- In the Matter of Jeffrey L. Pursley, Director, Nebraska
37.164 Telecommunications Infrastructure and Public Safety Department, Nebraska Public Service Commission, Complainant, v.
Easton Telecom Services, LLC, Respondent(s): Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to enter an order dismissing the complaint. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

NUSF- In the Matter of the Commission, on its own motion, seeking 60.02/ to investigate Qwest Corporation's Access Rates: This c-3945 matter was addressed in the Communication's Department PI-138 agenda.

NUSF-69 In the Matter of the Commission, on its own motion, seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services: NE Colorado Cellular, Inc. d/b/a Viaero. Commissioner Frank Landis presiding as Hearing Officer. Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter an order scheduling a Planning Conference for September 3, 2008 at 1:30 p.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, that late fees be levied again Encartele, Inc., that Complaints be filed against Houlton Enterprises, dba Guaranteed Phones, and United Telecom, Inc. and that the current complaint against Applewood be amended to include the late-filed June, 2008 Remittance Worksheet. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

#### NATURAL GAS DEPARTMENT

NG-0046/ In the Matter of the Commission, on its own motion, seeking PI-148 to investigate certain customer service issues and plans relating to SourceGas Distribution LLC, f/k/a Kinder Morgan, Inc., Lakewood, Colorado. Commissioner Vap presiding as Hearing Officer: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an Order to Show Cause. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter Assessment Orders in Dockets FC-1327, FC-1331, NG-0041, NG-0046/PI-128, and NG-0053. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

- FC-1327 In the Matter of the Formal Complaint of the Nebraska
  HS-0016 Public Advocate, seeking a determination that Kinder Morgan
  Inc. and/or its successor in interest, SourceGas Distribution, LLC improperly implemented, billed and received payment for interim and final rates in NG 0036 for which customers are entitled to a credit or refund from Kinder
  Morgan, Inc. and/or SourceGas Distribution, LLC. Commissioner Vap presiding as Hearing Officer.
- FC-1331 In the Matter of Kinder Morgan Interstate Gas Transmission, HS-001 LLC, Lakewood, Colorado vs. Aquila, Inc., Omaha, and Nebraska Resources Company, Tulsa, Oklahoma, alleging violations of the State Natural Gas Regulation Act. Commissioner Landis presiding as Hearing Officer.
- NG-0041 In the Matter of Aquila, Inc., d/b/a Aquila Networks
  HS-0031 (Aquila), Omaha, seeking individual general rate increases
  for Aquila's Rate Area One, Rate Area Two, and Rate Area
  Three. Commissioner Landis presiding as Hearing Officer.
- NG-0046/ In the Matter of the Commission, on its own motion, seeking PI-128 to investigate certain customer service issues and plans relating to SourceGas Distribution LLC, f/k/a Kinder Morgan, Inc., Lakewood, Colorado. Commissioner Vap presiding as Hearing Officer.
- NG-0053 In the Matter of Nebraska Resources Company, LLC, Tulsa, HS-009 Oklahoma, seeking a Certificate of Public Convenience and Necessity authorizing it to operate as a jurisdictional utility in Nebraska and approval of tariff. Commissioner Landis presiding as Hearing Officer.

#### NATURAL GAS DEPARTMENT (Cont.)

P-0013.15 In the Matter of Metropolitan Utilities District of Omaha, Omaha, providing notice required by Neb. Rev. Stat. Section 66-1863, that it intends to extend or enlarge its service area or extend a gas main: Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to enter an order closing the docket. Motion passed with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE.

#### TRANSPORTATION DEPARTMENT

## Rate Division

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Goods Tariff 7F and Tariff 22: The fuel surcharge was decreased to \$1.20 per mile and Tariff 22 was decreased to \$8.52 per truck per trip.

#### GRAIN WAREHOUSE DEPARTMENT

GW-1599/ In the Matter of Alvo Grain and Feed, Inc., Alvo and Ash-GD-1599 land: John Fecht updated the Commission on the status of this docket.

Commissioner Landis left the Commission Hearing Room.

#### GENERAL ADMINISTRATION

Motion made by Commissioner Tim Schram, seconded by Commissioner Rod Johnson, to approve the Executive Director's recommendation to approve the following Commission invoices. Motion passed with Commissioners Anne Boyle, Rod Johnson, Tim Schram and Jerry Vap voting AYE and Commissioner Frank Landis excused not voting.

AS Central Finance - Network Services	\$ 3,480.03
Larry Fauss	990.00
New Horizons	1,300.00
Robert Bowman	638 50

Motion made by Commissioner Tim Schram, seconded by Commissioner Jerry Vap, to authorize Commissioner Rod Johnson to travel to and attend the Regional Oversight Committee Meetings to be held in Phoenix, Arizona from October 14-15, 2008. Motion passed with Commissioners Anne Boyle, Rod Johnson, Tim Schram and Jerry Vap voting AYE and Commissioner Frank Landis excused not voting.

#### GENERAL ADMINISTRATION (Cont.)

Motion made by Commissioner Jerry Vap, seconded by Commissioner Rod Johnson, to authorize Gene Hand to travel to and attend the Regional Oversight Committee Meetings to be held in Phoenix, Arizona from October 14-15, 2008. Motion passed with Commissioners Anne Boyle, Rod Johnson, Tim Schram and Jerry Vap voting AYE and Commissioner Frank Landis excused not voting.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to take from the table consideration of the Agency Budget Request for FY 2009-10 and 2010-11. Motion passed with Commissioners Anne Boyle, Rod Johnson, Tim Schram and Jerry Vap voting AYE and Commissioner Frank Landis excused not voting.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Rod Johnson, to approve the Executive Director's recommendation to approve the Agency Budget Request for FY 2009-10 and 2010-11 as amended. Motion passed with Commissioners Anne Boyle, Rod Johnson, Tim Schram and Jerry Vap voting AYE and Commissioner Frank Landis excused not voting.

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The meeting adjourned at 10:37 a.m. with Commissioners Anne Boyle, Rod Johnson, Frank Landis, Tim Schram and Gerald Vap present. The next regularly scheduled meeting will be held on DATE, 2008, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on DATE, 2008.

Chair	Executive Director